

Article - Local Government

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§19–906.

(a) The proceeds of pension liability funding bonds may be deposited, in amounts determined by the county or municipality, in trust with a trust company or other banking institution as trustee, in a trust fund established in the name of the county or municipality.

(b) Money in the trust fund may be invested and reinvested in any taxable or tax-exempt securities, obligations, or other investments and at any yields that are determined by the county or municipality to be consistent with the purposes for which the pension liability funding bonds were issued and with the financial plan of the county or municipality.

(c) The interest, income, and profits earned or realized on any investment may be:

(1) applied to the payment of a portion of the benefits under the pension or retirement plan or system to be funded;

(2) applied to the payment of the pension liability funding bonds; or

(3) otherwise applied in any lawful manner.

(d) Money in the trust fund shall be available to pay:

(1) the benefits under the pension or retirement plan or system being funded;

(2) the pension liability funding bonds; and

(3) any other related costs, as the county or municipality requires.

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